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Developer pitches site's safety

By Brian Wargo / Staff Writer

The building of homes at a proposed Henderson masterplanned community may be more than two years away but the salesmanship has already begun.

Faced with one of the largest cleanups of a contaminated industrial site in Nevada's history, the developers of the 2,200-acre site east of Boulder Highway launched a public relations campaign this week to convince potential homebuyers that it will be safe to live there.

As many as 30,000 people are expected to live in the yetto-be-named community that will include single-family homes, apartments and condos totaling about 12,000 units. In the first detailed plans outlined for the development, there will be more than 1.6 million square feet of retail and office space and a neighborhood casino. There will also be some industrial development. None of the development plans has been submitted or voted on by the city.



Basic Management Inc.
President Mark Paris, left,
and Henderson Mayor Jim
Gibson speak at the
dedication for the Landwell
Restoration Project
Community Information
Center in Henderson on
Tuesday morning.

Photo by Tiffany Brown

"For the entire community, this is one of the most important pieces of real estate that we have, and it is an important challenge for us and the private sector that it be restored," Henderson Mayor Jim Gibson said. "This is a contaminated site in the heart of the old part of the city that is surrounded by residential development, much of it new and highend. So that it would not be a blight to the city, it needs to be remediated and restored."

The development, which will be undertaken by Centex Homes when it acquires the property, can't go forward until the Nevada Division of Environmental Protection signs off on a plan to remediate the site. The state recently set parameters for approving the cleanup but won't †complete its evaluation until spring at the earliest.

For now, the owner of the property, LandWell Co, which oversees the Basic Management Inc. industrial site, opened an information center off Lake Mead Parkway. It provides a walking tour not only of the property's history dating to World War II but of plans to restore and develop the site. Web sites with the information have also been launched, and a Web cam will be installed on the property. A newsletter went out to 77,000 area households detailing the plans.

"There is a lot of history here," said Mark Paris, president and chief executive of Basic Management, of which the LandWell is an affiliate. "It is important for people to know what the process is and that when we are done, they know it is a safe place to be."

That could be a challenge, however, in dealing with some leery home buyers, but Paris said any concerns can be overcome with education. That requires time and a chance to show their commitment to cleaning up the site, he said.

LandWell has invested more than \$60 million in the project so far, including paying \$12.5 million for a treatment plant, and another \$30 million to \$40 million will be spent on the

restoration, Paris said. That will include testing the yards of each home that will be built, he said.

The contamination of the site dates to World War II, when the federal government authorized the construction of the \$130-million Basic Magnesium plant, which produced magnesium for military aircraft and ammunition. Liquid waste from the magnesium manufacturing was channeled to unlined evaporation ponds, and solid waste was dumped in unlined landfills and trenches.

Well-monitoring and other tests on the site have found high levels of such carcinogens as arsenic in the soil and ground water as well as uranium in the ground water. State environmental officials have said those contaminations can be cleaned up.

Gibson said he's confident based on his conversations with state environmental officials and consultants hired by the city that the site will be livable after a thorough cleanup.

"I am assured by those people that it will be safe, and therefore I support it," Gibson said. "If I did not have those assurances, I would not support it."

State environmental officials have given no assurances, however, that all 2,200 acres of the site will be available for residential development. Most of the contamination falls on about 400 acres of the site.

"I think there are areas that we learned through various samplings are more contaminated than others and require special attention and maybe even after those efforts requires conditions," said Leo Drozdoff, administrator of the state environmental division.

LandWell said its plan calls for removing nearly 2 million cubic feet of soil, ranging in depth from several inches to several feet. The removed dirt will be placed in a landfill specifically designed for it west of Boulder Highway, adjacent to industrial plants where no other development will occur.

A treatment plant that opened in May 2005 at the Titanium Metals Corp. plant purifies the contaminated waste water that is piped into the nearby Las Vegas Wash, which leads to Lake Mead.

In February, the current and former BMI landowners and business operators approved a consent agreement to kick off the remediation of the site. The companies involved in the agreement include Basic Management, Bayer Crop Science, Montrose, Pioneer, TIMET and Tronox, formerly Kerr-McGee.

The 2,200-acre site, which is bisected by Boulder Highway, is considered far enough away to alleviate concerns about any toxic releases from the industrial plants, according to Henderson and Clark County emergency management officials.

Once state officials approve the cleanup plans, the remediation work is expected to take about 12 to 18 months to complete. Development on the site will begin some time after that.

The developers are expected to submit plans to the city sometime in 2007, spelling out their project.

More than 500 acres of the property will be set aside for open space, trails and parks. There will also be four schools.

Residential home sales are expected to begin in fall 2008. The housing will include a range of single-family homes to town homes, condominiums, lofts and apartments.

Developers said the project will include a range of home prices but there could be some workforce housing. The project will draw from elements of new urbanism, which is characterized by narrow streets and walkability, officials said.

A 110-acre urban core adjacent to Boulder Highway will feature high-density mixed uses that may include buildings as high as eight stories with condominiums and offices and retail on the bottom floor.

Most of the site was in unincorporated Clark County, but it was annexed into Henderson earlier this year. Henderson included it in a larger redevelopment zone of 4,600 acres in which the city gets 100 percent of the property tax revenue generated by new construction and added value to the homes and other property over the next 30 years. Area governments will continue to divide existing property tax revenue locked in before the creation of the redevelopment zone.

Henderson will use some of the tens of millions that will be generated from it for regional flood control and for over sizing water and sewer lines to pave the way for future development, said Henderson redevelopment director Robert Ryan.

Much of the tax increment revenue will also be spent on upgrading some of the city's aging housing stock in the Pittman neighborhood north of downtown and Valley View neighborhood east of downtown that are part of the redevelopment zone, Ryan said.

Another priority of the zone is to spur development in underused industrial property between Boulder Highway and U.S. 95. Henderson could use the tax revenue to acquire property and participate with developers on a project, Ryan said.

For more information on the 2,200-acre project, visit www.ndep.nv.gov/bmi/index.htm or www.landwellco.com.

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